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The Director of Central Intelligence
Washington, D.C. 20505

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National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

FROM: Graham E. Fuller
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SUBJECT: Comments on Saudi Desires for Urgent US Involvement
in the Peace Process

1. Two things need to be kept in mind in viewing the Saudis desire for public US pursuit of the peace process.

- The chances of reaching any reasonably comprehensive peace settlement is almost nil for the foreseeable future.
- Yet, the US cannot be seen to be abdicating responsibility or interest in coping with this problem--classically symbolic of Middle East tensions.

2. Prospects for Peace. Prospects are very poor for a comprehensive settlement in that the PLO is still locked into its quest for unity above all else. It will not give Hussein a mandate for negotiating, Hussein will not negotiate without the PLO and an Arab mandate, the Arabs will not give him such a mandate, and the Israelis don't really want to talk with anyone about giving up the West Bank anyway. The Israelis believe the West Bank problem is manageable from their point of view. It is probably now unrealistic to think that Israel will ever give it up.

- That said, this does not mean that the US can afford to give up working at the problem. The Arab/Israeli issue has long symbolized the Arab world's chief grievance in the region; to ignore this is to cede responsibility and leadership in the Arab world and stoke fires for another Geneva meeting with the Soviets in attendance. Semblance of action reduces the heat. Even if the problem is not solvable, a bad turn in Arab/Israeli relations can be deeply destabilizing to US interests.

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SECRET

3. Managing the Problem. A number of issues are susceptible to treatment. These issues are not central to the problem, and probably will not lead to solution of the problem, but can contribute to lessening of tensions, contribute to a day-to-day US participation in regional diplomacy, encourage the moderates, and assist in the evolution of regional problems in a relatively quiet (for the Middle East) fashion.

- Improvement of Egyptian/Israeli Relations. The collapse of these relations would be disastrous for US interests and would demonstrate that no Arab settlement with Israel is possible. It would ultimately lead to renewed war between Egypt and Israel.
- The Quality of Life for the Palestinians. Even if Israel never gives up the West Bank, the Palestinians must be allowed to develop meaningful economic and cultural institutions within Israel--which they are presently denied. Complaints will always exist, but a general improvement--perceived by West Bankers and Arab states alike--will remove some of the sting from this issue.
- Improvement in De Facto Jordan/Israel Relations. Quality of life in the West Bank will also help improve these de facto relations; and other meaningful Israeli/Jordanian accommodations can likewise be reached in the West Bank. Improved Jordan/Israel de facto relations will partially weaken Syria's ability to foment trouble in Jordan and the West Bank.
- Prominent US Discussions with Palestinian Leaders. The US must be perceived as talking to the Palestinians--whether or not we recognize the PLO. There has never been a prohibition against discussions with major Palestinian figures--Kissinger only ruled out negotiations. The US must not be perceived as ignoring this major group. We likewise need to encourage the emergence of moderate Palestinians--wherever they may be--who are willing to talk to the Israelis.

4. Talking to the Syrians. I do not believe there is any realistically conceivable formula which either the US or Israel could propose which would enable Syria to join a peace process. Although many debate this, I believe Syria values above all else its leadership role in the region which springs from its leadership of the hardline group, enabling it to set forth claims to Soviet arms, Arab money, the right to manipulate the PLO in the struggle against Israel, and to "preserve the Arab cause." That said, there are nonetheless important gains to be made with Syria:

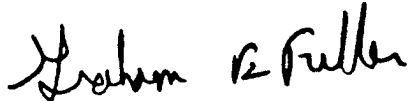
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- Syria in the past has reached important tactical accommodations with Israel and the US on specific issues. Modest future such accommodations are possible. This will never mean "peace" but it can sometimes help stabilize certain local problems when it is in the Syrian interest to do so.
- Syria strongly desires to be recognized as a significant player. It is the power without which no peace is possible. Regular US discussions with Syria gratifies them, inserts new and complicating factors into their diplomacy, and delays them from crystallizing permanent hardline views. Syria can probably never be brought around but consistent massaging can reduce tensions, confrontations, and soften the picture. This is very important to Saudi Arabia, and would probably even reassure Jordan.
- Much of diplomacy in the Middle East consists of personal relationships, images, perceptions and contacts. Including Syria in regular high-level travel by envoys must not be neglected even if major results will never really emerge. Minor gains alone are worth it.
- Close and regular US consultation with Syria bugs the hell out of the USSR. Despite the Soviet position in Syria, the Soviets are deeply insecure in what they feel to be their limited influence on Syria. They remain constantly fearful Assad will cut a deal with the US. We may know Assad will probably never take the major plunge, but the Soviets do not know this. Assad's ties with the US give him maneuvering room with the USSR and will prevent the Soviets from ever being certain of their position in Damascus.

5. US arms sales to Arab allies is seen by them as a litmus test of the sincerity of US interest in their welfare and stability. Failure to provide arms suggests to all (the internal and external enemies of any state) that the US does not really value the relationship.

6. In light of the above, I believe it is important for the US to be seen as continuing to work at the Middle East problem. Our Arab allies expect it of us. Ambitious public goals and plans should be avoided. Minor (but not insignificant goals) are achievable. It will gain time and hopefully prevent major conflagration, but we must be equally realistic that "peace is not at hand."


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